

TOP SECRET

DIARY NOTES

25X1

DD/A

28 June 1954

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With reference to the suggested [] planning figure, however, I stated that I felt strongly that this was cutting our budget too thin and that I did not believe we could settle for anything less than []. I agreed, however, to sleep on it and expect to discuss it with the Director before giving the Bureau of the Budget our final answer. Mr. Perry emphasized that Mr. Hughes had great confidence in CIA and was well pleased with the way in which we had managed our funds this past year, and, further, that he did not want to impose any cut which would really impair our efforts in any way.

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We also discussed with Mr. Perry the necessity for getting more money out of the Reserve for Fiscal Year 1955 in order to continue financing Project PB-SUCCESS. I told Hart that our figures were not accurate but that we estimated that the entire \$3,000,000 previously approved for this Project would be expended by 30 June and that we could not estimate how much we were going to need in Fiscal Year 1955. I, therefore, requested the Bureau of the Budget to authorize the release of [] for the present, stating that this figure would be adjusted upward in all probability when we were able to see a little better how the Project was going and what it was going to cost. He approved informally and I asked Ed Saunders to formalize it in writing.

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I also discussed with Hart the matter of obtaining a release from the Fiscal Year 1955 Reserve in order to finance Project []

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[] I explained that our estimates again were not firm but that we believed it would cost [] a month to put this operation on a standby basis and about [] per year if it should be fully activated. I indicated that we needed a little time to see exactly what it was going to cost and, therefore, asked for [] from the Fiscal Year 1955 Reserve to finance it for the months of July, August, September, and October. Informal approval was granted and Ed Saunders was requested to formalize it in writing.

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25X1 2. [] was in to discuss a proposal by Elmer Staats, Executive Officer, Operations Coordinating Board, that CIA take over the administrative support of the Board for Fiscal Year 1955. Ed Saunders and I told Wayne that we were opposed to this, explaining that we were already putting up two-thirds of the budget for the Board and that the Department of State was supposed to render administrative support in lieu of funds. In addition, we pointed out to him that the support of an organization like the Operations Coordinating Board, or the National Security Council which we were already supporting, presented headaches out of proportion to its size since it was in a position to demand all sorts of special service, etc. We urged Wayne to oppose this suggestion at the Staff Assistants' Meeting on Friday.

Later Ed and I also discussed this matter with Hart Perry since it is definitely of interest to the Bureau of the Budget. We urged him to speak to Bob Macy, Chief, International Organizations Division, and George Schwarzwald, the Bureau of the Budget representative with the OCB Staff Assistants.

25X1 3. Met with [] Project Administrative Planning Staff, [] Technical Accounting Staff, Budget Division, and representatives of the FE Division concerning Project QKHILLTOP. The Administrative Plan for this Project will not be ready for about two weeks; hence, I authorized the release of [] from Fiscal Year 1954 money with the understanding that the Plan would be completed in the estimated time.

4. Had lunch with Jim Garrison. []

5. Matt Baird telephoned to ask whether or not I thought he had done the right thing in turning down a request submitted by the Office of Research and Reports for external training based upon the necessity for an individual to get a degree which, apparently, is a prerequisite for promotion in a certain branch of that Office. I told Matt that I would definitely be opposed to the expenditure of our funds for any such purpose and that we should approve of external training only when it could be demonstrated that such training would prepare the individual to do his present or some other job better than he could without it. I stated that when such training involved getting a degree it was purely incidental, in my opinion, and certainly could not be the basis for withholding promotion if the individual were otherwise qualified.

25X1 6. [] telephoned to say that Mr. Dulles had decided not to get a television set for his present office but would like one when he moved. Jack will ask [] to make the necessary arrangements.

25X1 7. I have asked [] to study the matter of publishing more concerning the DD/P organization in regular Agency issuances []

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8. I talked to both [redacted] after they had conferred earlier and it is now agreed that the Deputy Director (Plans) will present his requests for the approval of sensitive tables of organization directly to Mr. [redacted] in lieu of to me. I will delegate authority to John to approve of them if he believes that they are justified; if he does not believe that they are justified, he will refer them to me. H

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9. In connection with Project PBSUCCESS, Jim Garrison and his people have been working night and day over the weekend to supply unforeseen demands. A sizeable quantity of hardware, about ten jeeps, and miscellaneous items had to be procured and shipped by air at the last moment. As of yesterday Jim was making efforts to charter a ship to send additional supplies to the target area. In this connection, he told me at lunch that he had understood [redacted] to say that he was most dissatisfied with the logistical aspects of this Project. Of course, the Logistics Office really has had no responsibility for this up to now since they were excluded from the Project. However, I asked Dick if he was getting everything out of the Logistics Office that he wanted. He assured me that he was and that the support which he had received from the Logistics Office could not have been better.

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DD/A
DN-309

DEPUTIES' MEETING

Monday, 28 June 1954

PRESENT: Mr. Dulles, General Cabell, Mr. Amory, Colonel White, Messrs. Kirkpatrick, Helms, Kent and [redacted]

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Mr. Dulles:

25X1 a. Noted a cable (IN 22418) respecting the assignment of [redacted] and asked Mr. Helms to advise him of the action taken.

b. Noted he had reviewed the study on proposed legislation respecting the CIA Career Service Program, and stated while he approved this study as a guide line he preferred to consider the several bills on this subject piecemeal. Mr. Kirkpatrick noted this was actually what is intended and it was hoped we could get some action initiated either in the present or next session of Congress. The Director indicated he would rather do this during the next session of Congress, provided the climate is right.

Mr. Amory:

25X1 a. Reported that he had advised: (1) [redacted] to stay in touch with [redacted] and be ready to return on twelve hours' notice; (2) [redacted] to maintain our communications facilities to [redacted] on a standby basis. The Director approved.

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25X1 b. Recommended that there be prepared a general review on CIA participation at the [redacted] [redacted] The Director approved.

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Mr. Kirkpatrick:

25X1 a. Briefly reported on the activities of [redacted] [redacted] and stated as far as it could be determined we have had no association with this organization; however, Mr. [redacted] is making a final check. After some discussion, wherein it was noted that the Department of Justice and the FBI are familiar with the activities of the above-mentioned company, the Director asked the Inspector General, in order to be doubly sure, to contact Mr. Lee V. Boardman of the Bureau and advise him of the information we have on subject organization.

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25X1 b. Stated that our Quarterly Report to the Civil Service Commission, under the provisions of Executive Order #10450, shows the release of six employees for perversion.

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Mr. Kirkpatrick (Continued):

c. Reported we might expect a call to testify on the Jenner/McCarran Bill proposing that the U.S. break diplomatic relations with the USSR.

d. Reported that Mr. Arens, Counsel of the Immigration Subcommittee of the Senate Judiciary Committee, is a member of a task force appointed to investigate the "Mexican Wetback Situation", and in this connection had asked that representatives of CIA appear before this group for the purpose of furnishing information on Communism in Mexico. [redacted] of the [redacted] was suggested as being qualified to do this. However, it was suggested that he "first appear before Messrs. Kirkpatrick and Houston". The Director approved.

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DD/A DAILY ACTION SUMMARY

28 June 1954

Originating Office	Subject	Action
DD/A 28 June 54 25X1	Memorandum for Chief, Logistics Office, subject: "Headquarters Motor Pool Service - Radio-Telephone Identification Procedure" advising that provision of Notice No. [redacted] does not apply to immediate Office of the Director. ER-5-7054	Signed by DD/A. Orig to C/LO. lcc-[redacted] 25X1 2ccs-DD/A subj & chrono.
C/RCS 22 April 54	Memorandum for (Multiple Adse.), subject: "Proposed Regulation [redacted] Custodianship, Accounting, and Reporting" w/att proposed reg. ER-5-6883	Proposed reg. signed by DCI. Orig w/att fwded to C/RCS for publication. 25X1 2cc-DD/A subj & chrono.
C/RCS 21 June 54 25X1	Memorandum for Deputy Director (Administration), subject: "Proposed Regulation [redacted] 'Q' Clearance and Control of AEC Restricted Data" w/att proposed reg. ER-5-6981	Approved for publication by DD/A 26 June. Orig w/att to C/RCS. 2ccs-DDA subj & chrono.
PRC	Sign-off Sheet: "To approve and provide funds for Phase II of Project [redacted]" ER-5-7066	25X1 Concurred in by DD/A. Handcarried to DD/I for action.
C/PAPS 16 June 54 25X1	Memorandum for Deputy Director (Plans), subject: "Amendment No. 1 to the Administrative Plan for FE Proprietary Activity [redacted] w/att concurrence sheet, and Admin Plan." ER-5-6806	Authorized by DD/A 6/26. Orig w/atts to COA/DDP 2004 L Bldg. by special messenger.
C/PAPS 16 June 54	Memorandum for Deputy Director (Plans), subject: Recommended Administrative Plan for the Liquidation of the Proprietary Aspects of WE Division Project [redacted] w/att Liquidation Plan. ER-5-7036	Same as above. 25X1
C/PAPS 22 June 54 25X1	Memorandum for Deputy Director (Plans) subject: "Amendment No. 1 to Admin Plan for FE [redacted] w/att Concurrence Sheet, Admin Plan, and background material including Air Dispatch [redacted] copies of cables and misc. memoranda." ER-5-7037	Same as above. 25X1
PAPS 23 June 54 25X1	Travel Voucher for [redacted] w/att passenger receipt.	Approved by DD/A 6/28. Orig & 1 fwded to C/FI 2000 I Bldg. lcc-DD/A subj file.

25X1 Originating Office	Subject	Action
SA-DD/A 25 June 54 25X1	Memorandum for Chief, Regulations Control Staff, subject: "Proposed Regulation No. [redacted] Security Officers" w/att draft of proposed reg. ER-5-6645	First 4 paragraphs of reg. considered unsat. Suggestions for improving listed in memo. Other changes made on draft. Orig w/att to C/RCS. 2ccs-DD/A subj & chrono.
D/Training 14 June 54 25X1	Memorandum for Deputy Director (Administration), subject: "Proposed Plan for Disposal of Houses in [redacted] area" ER-5-7033	Approved by DD/A 6/26. Orig to Trng. Office by their courier 6/28. lcc-C/LO; lcc w/att summary on houses to Compt. lcy-DD/A subj file
C/Mgmt Staff 24 June 54 25X1	Memorandum for Deputy Director (Administration), subject: "Revision of FBID/ Office of Operations Table of Organization, [redacted] w/basic. ER-5-7091 ER-5-6334	Approved by DD/A 6/26. Orig & 1 w/basic to AD/ for action. lcc-MS; 2ccs-Asst. to DDI (Admin); lcc-Compt; lcc-DDA chron lcc w/basic-DDA subj.
C/PAPS 16 June 54 25X1	Memorandum for Deputy Director (Plans), subject: "Administrative Plan for NEA [redacted] Project [redacted] w/att Concurrence Sheet, Admin Plan, and Project Outline. ER-5-6786	Authorized by DD/A 6/26. Orig w/atts sent by special messenger to COA/DDP 2004 L Bldg. 25X1
COA/DDP 15 June 54 25X1	Memorandum for Chief, Regulations Control Staff, DD/A; subject: [redacted] "w/att memo for DD/A fr C/RCS and Proposed FN. ER-5-7049	lcc w/atts to [redacted] to insure that changes in revised notice are consistent with instructions fr DCI concerning certain changes he wants made in such letters. DD/A subj file - LAQ lcc of transmittal to DD/A chrono.
DD/A 28 June 54	Memorandum for Comptroller, subject: "Project QKHILLTOP". ER-5-7142	Orig for Compt; ccs for C/PAPS; C/FE given by hand to representatives fr those offices. 2ccs-DD/A subj & chrono.
DAD/Pers. 23 June 54	Memorandum for Legislative Counsel, subj: "S. 3507 and HR 9462 - To authorize the Civil Service Commission to Make Available Group Life Insurance for Civilian Officers and Employees in the Federal Service and for other purposes" w/att bill. ER-5-7122	Fwded to GC w/note fr DD/A "feel sure we can somehow overcome these obstacles and that we should support this bill"

<u>Originating Office</u>	<u>Subject</u>	<u>Action</u>
25X1 DD/A 28 June 54	[REDACTED]	Signed by DD/A. Coordinated with C/EE and COA/DDP. lcc w/basic for Compt; lcc for COA/ DDP sent to ER for dis- patch. EE kept lcc. 2ccs-DD/A subj & chrono. lcc(yellow) - RI
C/FE 25X1	Memorandum for Deputy Director (Administra- tion), subject: "Request for Promotion of [REDACTED]. An appeal of decision by LO/CSB to disapprove promotion.	Orig w/basic on subj given by DST to Mr. [REDACTED] 25X1 Mgmt Officer/LO for reconsideration by LO/CSB. 25X1
FE/6 3 June 54 25X1	Cable No. 1822 to [REDACTED] concerning storage charges.	Fwded to [REDACTED] FE Admin - "attached cable cancelled and rewritten".
[REDACTED] RE&C/LO 15 June 54	Copy of Cable (OUT 5729), subject: "...funds for telephone installations, added site preparation, utilities etc."	1 copy to Finance "for info of FE section" 25X1